GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:1595
ANSWERED ON:31.07.2003
LAPSE OF FUND
ALE NARENDRA;MAHBOOB ZAHEDI;T. GOVINDAN

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government are aware of the lapse of funds amounting to Rs. 24000 crores including the Kargil surcharge to be spent for purchase of equipments for the Safety and Security of Soldiers;

(b) if so, the details thereof;

(c) if not, the reasons therefor; and

(d) the steps taken by the Government in this regard?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) to (d): In no financial year has the lapse of funds out of Defence budget been of the order of Rs. 24000 crores.For the year 2002-2003, the allocation for Defence in Budget Estimates was Rs. 65000 crores which was reduced by Rs. 9000 crores in Revised Estimates.

The amount generated through surcharges levied by the Government is a part of general revenues of the Central Government and expenditure provisions are made through the Demands for Grants of the Ministries/Departments approved by theParliament. Thus, the amount collected from Surcharge for national security is not available to Ministry of Defence in addition to the allocation made for Defence Budget.

In order to fully utilise the allocated funds, the progress of Defence expenditure and status of various procurement proposals is kept under constant review and follow up action, as necessary, is taken. A new procurement Organisation has also been established to deal with acquisitions on capital account for the Defence Services.